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RUEHBO/AMEMBASSY BOGOTA 5288
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C O N F I D E N T I A L SECTION 01 OF 02 LA PAZ 001137

SIPDIS

E.O. 12958: DECL: 05/15/2018
TAGS: ASEC BL PGOV PHUM PINR PREL
SUBJECT: BOLIVIA: SANTA CRUZ BEGINS IMPLEMENTING AUTONOMY

REF: LA PAZ 1129

Classified By: EcoPol Chief Mike Hammer for reasons 1.4 (b) and (d).

SUMMARY

¶1. (U) The departmental government of Santa Cruz, eager to show its population the benefits of autonomy and to regain the national spotlight from the recall referendum (reftel), will begin implementing its autonomy on May 15. While largely symbolic (names changes), there are two concrete measures that will be popular: the inclusion of five representatives from indigenous communities in the state assembly and raising the monthly minimum wage from \$77usd to approximately \$140usd. End summary.

CALL ME GOVERNOR

¶2. (U) The Santa Cruz departmental council is set to pass a series of measures to begin implementing autonomy on May 15. The first are name changes. The prefect will now be called governor, the secretary general will now be the vice-governor, the department council will be the legislative assembly, and Santa Cruz will be known as the Autonomous Department of Santa Cruz. The departmental government also announced the creation of the International Commerce and Exports Council whose function will be to promote Santa Cruz exports.

TWO CONCRETE MEASURES

¶3. (C) While the first few measures are largely symbolic

name changes, there are two that are designed to have an impact on the Santa Cruz population. Under the autonomy statutes, the legislative assembly will add five representatives from indigenous communities residing in Santa Cruz. Another measure raises the minimum monthly wage in Santa Cruz from the national governments 550 bolivianos (\$77 USD) to 1000 bolivianos (\$140 USD). Departmental and Santa Cruz Civic Committee sources tell the Embassy this measure will prove popular among workers and is designed to show an immediate improvement in people's lives thanks to autonomy. (Note: A domestic employee from El Alto, upon hearing the salary news, remarked that there would be an rush of people heading to Santa Cruz looking for work. End note.)

DO NOT CROSS THE LINE, BUT GET YOUR ATTENTION

¶4. (C) There is increasing pressure on the Santa Cruz government to authorize soy bean and cooking oil exports, which have been banned by the national government, and to withhold hydrocarbons taxes sent to La Paz. Embassy sources tell us the governor will not do either because they cross legal lines. The Santa Cruz government will proceed cautiously with implementing autonomy, staying within the bounds of the national constitution. Santa Cruz Civic Committee Advisor Manuel Suarez told Emboff that the measures approved on May 15 were meant to show citizens the benefits of autonomy and to regain the national spotlight from the

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recall referendum (reftel).

COMMENT

¶5. (C) It would appear that Santa Cruz is regaining the spotlight. The new measures are receiving headline coverage in the Bolivian media. The name changes will certainly irritate the national government and the minimum wage increase puts Evo's team on the defensive. Increased indigenous representation also takes a swipe at one of Morales' main pillars. Additionally, the measures are designed to reinforce the YES campaigns in the states of Beni and Pando, who will hold autonomy votes on June 1. End comment.

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